

REMARKS/ARGUMENTS

Favorable reconsideration of this application, as presently amended and in light of the following discussion, is respectfully requested.

Claims 55-86 are currently pending in this application. By this Amendment, Applicants canceled Claims 1-54 without prejudice and added new Claims 55-86.

In the outstanding Office Action, Claims 1-54 were rejected under 35 U.S.C. §102(e) as anticipated by Horiike (U.S. Patent No. 6,744,905) and Claim 4 was rejected under 35 U.S.C. §103(a) as unpatentable over Horiike in view of Hamada (U.S. Patent No. 6,631,239).

Claims 55-86 are newly added and support for them is found in Fig. 2 for example, and therefore, the addition of Claims 55-86 is not believed to raise an issue of new matter.

In a non-limiting embodiment, an original image is input into an image processing apparatus. The image processing apparatus includes a background generating devices that generates a background using either a dither or error diffusion method. The dither or error diffusion methods are used in accordance with a parameter of a number of bits, a number of lines, or a density. The variety of parameters that may be used allows for various backgrounds to be generated. An information is then embedded into the background. The embedding process can be achieved while maintaining the image and character quality of the original image. The background after the embedding is then combined with the original image.

Claim 54 recites "...a background generating device configured to generate a background by using one of dither and error diffusion methods in accordance with one of a number of bits, a number of lines, and density..." Neither Hamada nor Horiike disclose this element.

In addition, Applicants further submit that the goal of Hamada is very different than the goal of the present application. The goal of Hamada is to prevent copyright information

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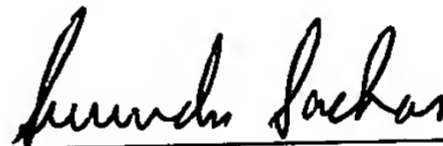
that has been written into image data from being overwritten or erased. The goal of the present application is to create backgrounds in accordance with various parameters.

Applicants respectfully submit that Claim 55 (and its dependent Claims 56-62) patentably distinguish over Horiike in view of Hamada. Independent Claims 63, 71 and 79 are similar to Claim 55. Claims 63, 71 and 79 (and their dependent Claims 64-70, 72-78, and 80-86) should be allowed for at least the reason given for Claim 55.

Consequently, in view of the above amendments and comments, it is respectfully submitted that the outstanding rejection is traversed and that the pending claims are in condition for allowance. An early and favorable action to that effect is respectfully requested.

Respectfully submitted,

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